



April 30, 2015

Ms. Debra J. Parrish
President
Keweenaw Bay Ojibwa Community College
111 Beartown Road
Baraga, MI 49908-0000

Certified Mail Return Receipt Requested
Domestic Return Receipt
7012 1640 0000 0216 5212

RE: **Final Program Review Determination**
OPE ID: 04164700
PRCN: 2014 2 05 28516

Dear Ms. Parrish:

The U.S. Department of Education's (Department's) Chicago/Denver School Participation Team issued a program review report on May 2, 2014 covering Keweenaw Bay Ojibwa Community College's (KBOCC) administration of programs authorized by Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the 2012-2013 award years. KBOCC's final response was received on June 2, 2014. A copy of the program review report (and related attachments) and KBOCC's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by KBOCC upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Purpose:

Final determinations have been made concerning all of the outstanding findings of the program review report. The purpose of this letter is to close the review and notify KBOCC of a possible adverse action. Due to the serious nature of one or more of the enclosed findings, this FPRD is being referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for its consideration of possible adverse action. Such action may include a fine, or the limitation, suspension or termination of the eligibility of the institution. Such action may also include the revocation of the institution's program participation agreement (if provisional), or, if the institution has an application pending for renewal of its certification, denial of that application. If AAASG initiates any action, a separate notification will be provided which will include information on institutional appeal rights and procedures to file an appeal.

This FPRD contains a finding regarding KBOCC's failure to comply with the Drug-Free Schools and Communities Act (DFSCA) and Part 86 of the Department's General Administrative Regulations. Because this DFSCA finding will not result in the assessment of financial liabilities, such a finding may not be appealed. If an adverse administrative action is initiated, additional information about KBOCC's appeal rights will be provided under separate cover.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. To protect PII, the findings in the attached report does not contain any student PII. Instead, each finding references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample.


Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

The Department expresses its appreciation for the courtesy and cooperation extended during the review. If the institution has any questions regarding this letter, please contact Tammi Sawyer at 312-730-1531.

Sincerely,

(b)(6)

 Douglas Parrott
Division Director

Enclosure:

Program Review Report (and appendices)

Final Program Review Determination Report (and appendices)

cc. Elizabeth M. Juio, Financial Aid Administrator
MI Keweenaw Bay Indian Community
North Central Assoc of Colleges and Schools, the Higher Learning Commission
Department of Defense
Department of Veterans Affairs
Consumer Financial Protection Bureau

Prepared for

Keweenaw Bay Ojibwa
Community College

OPE ID 04164700
PRCN 2014 2 05 28516

Prepared by
U.S. Department of Education
Federal Student Aid
Chicago/Denver School Participation Division

Final Program Review Determination
April 30, 2015

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A. Institutional Information

Keweenaw Bay Ojibwa Community College
111 Beartown Road
Baraga, MI 49908-0000

Type: Public

Highest Level of Offering: Associate's Degree

Accrediting Agency: North Central Association of Colleges and Schools - CHED (Higher Educ)

Current Student Enrollment: 90 (2013)

% of Students Receiving Title IV: 66.67% (2013)

Title IV Participation: PCNet

2012-2013

Pell Grant

\$320,368.00

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Keweenaw Bay Ojibwa Community College (KBOCC) from February 24, 2014 to February 26, 2014. The review was conducted by Gigi Moore and Susan Frost Alvarez.

The focus of the review was to determine KBOCC's compliance with the statutes and regulations as they pertain to the institution's administration of the Title IV, HEA programs. The review consisted of, but was not limited to, an examination of KBOCC's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 15 files was identified for review from the 2012-2013 award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and social security numbers of the students whose files were examined during the program review. A program review report was issued on May 2, 2014.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning KBOCC's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve KBOCC of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

C. Findings and Final Determinations

Resolved Findings

Findings 1, 2, 4, 5, 6, 7, and 8: KBOCC has taken the corrective actions necessary to resolve findings 1, 2, 4, 5, 6, 7, and 8 of the program review report. Therefore, these findings may be considered closed. Findings requiring further action by KBOCC are discussed below.

Findings with Comments

The following program review finding has been resolved by KBOCC, and may be considered closed. The finding is included solely for the purpose of discussing resolution of the finding.

Finding #3. Drug Abuse Prevention Program Requirement

Citation Summary: The Drug-Free Schools and Communities Act (DFSCA) and Part 86 of the Department's General Administrative Regulations require each institution of higher education (IHE) to certify that it has developed and implemented a drug and alcohol abuse prevention program (DAAPP). The program must be designed to prevent the unlawful possession, use, and distribution of drugs and alcohol on campus and at recognized events and activities.

On an annual basis, Keweenaw Bay Ojibwa Community College (KBOCC) must provide the following information in writing to all current students (enrolled for any type of academic credit except for continuing education units) and all current employees:

- *A written statement about its standards of conduct that prohibits the unlawful possession, use or distribution of illicit drugs and alcohol by students and employees;*
- *A written description of legal sanctions imposed under Federal, state, and local laws and ordinances for unlawful possession or distribution of illicit drugs and alcohol;*
- *A description of the health risks associated with the use of illicit drugs and alcohol abuse;*
- *A description of any drug or alcohol counseling, treatment, and rehabilitation re-entry programs that are available to students and employees, and.*

- *A statement that KBOCC will impose disciplinary sanctions on students and employees for violations of the institution's codes of conduct and a description of such sanctions.*

The distribution plan must make provisions for providing the DAAPP disclosure annually to students who enroll at a date after the initial distribution and for employees who are hired at different points throughout the year.

In addition, KBOCC must conduct a biennial review to determine the effectiveness of its DAAPP and to ensure consistent enforcement of applicable drug and alcohol-related statutes, ordinances, and institutional policies against students and employees found to be in violation. The biennial review materials must be maintained by KBOCC and made available to the Department upon request. 34 C.F.R. §§ 86.3 and 86.100.

Noncompliance Summary: *The institution failed to develop and implement a drug and alcohol abuse prevention program and document that a biennial review was being conducted of its Drug and Alcohol Abuse Prevention Program (DAAPP). DESCA, Part 86 requires institutions conduct a biennial review of its program to: determine its effectiveness and implement changes to the program if needed, and ensure that the disciplinary sanctions are consistently enforced.*

Failure to comply with the DESCA's biennial review requirements indicates an inability and/or unwillingness to administer the Title IV, HEA programs in accordance with the terms and conditions of the institution's PPA and specifically deprives the institution of important information about the effectiveness of its own drug and alcohol programs. Such failures may contribute to increased drug and alcohol abuse as well as an increase in drug and alcohol-related violent crime.

Required Action Summary: *KBOCC is required to take all necessary corrective actions to address the violations identified above and all other violations identified by the Institute during the preparation of its response to this program review report. At a minimum, KBOCC must take the following remedial actions:*

- *Develop a drug and alcohol prevention policy and program materials and develop new program content as needed to ensure that a comprehensive DAAPP that includes all of the required elements found in the DESCA is in place and ensure that adequate policies and procedures are in place that will ensure that the DAAPP disclosure is distributed annually to every student who enrolls for any academic credit and to all employees. This policy must provide for active delivery to every member of the campus community regardless of when they enroll or are hired and irrespective of the duration of enrollment employment. A copy of KBOCC's DAAPP and distribution policy must accompany KBOCC's response to this program review report;*

- *Appoint a suitable official and/or team with the requisite knowledge and authority to plan and conduct a substantive biennial review;*
- *Conduct a biennial review to: 1) assess the effectiveness of the Institute's DAAPP; 2) evaluate the consistency of sanctions imposed for violations of its disciplinary standards and codes of conduct related to drugs and alcohol; and, 3) identify areas requiring improvement or modification. KBOCC must also prepare a report of findings. In that report, the Institute must describe the research methods and data analysis tools that were used to determine the effectiveness of the program. In addition, the report must identify the responsible official(s) who conducted the review. Moreover, the report must include a plan of action that details how the findings and recommendations identified during the review will be integrated into the DAAPP to improve the program's effectiveness. Finally, the report must be approved by the Institute President and/or KBOCC's Board;*
- *Submit copies of the two most-recent biennial review reports that the Institute has produced (if any) with its response to this program review report. If no such reports were ever produced, KBOCC officials must clearly state that fact. In this context, KBOCC is specifically advised that no new documents are to be created for the purpose of demonstrating compliance with the biennial review report requirement for past periods; and,*
- *Establish policies and procedures to ensure that all subsequent biennial reviews are conducted in a timely manner and are fully documented and to take all other necessary action to ensure that this violation does not recur. A copy of these policies and procedures must accompany the Institute's submission of its biennial review report.*

Because the DFSCA went into effect in 1990, longstanding practice dictates that the biennial review is normally conducted in even-numbered years. However, given KBOCC's failures in this regard, the Department must require that a biennial review be initiated immediately. Therefore, KBOCC must develop and implement a drug and alcohol abuse prevention program, also a biennial review must commence immediately upon development of the program and receipt of this program review.

As noted above, violations of the DFSCA are very serious and by their nature, cannot be cured. There is no way to truly "correct" a violation of this type once it occurs. KBOCC will be given an opportunity to conduct a substantive biennial review and in doing so, will begin to bring its overall drug and alcohol prevention programs into compliance with the DFSCA as required by its Program Participation Agreement. However, KBOCC is advised that these remedial measures cannot and do not diminish the seriousness of these violations nor do they eliminate the possibility that the

Department will impose an adverse administrative action and/or additional corrective measures as a result.

Based on an evaluation of all available information including KBOCC's response, the Department will determine if additional actions will be required and will advise the Institute accordingly in the FPRD.

KBOCC's Response: In its official response dated June 2, 2014, KBOCC concurred with the finding and stated that remedial action was taken as directed in the program review report. College officials represented that some drug and alcohol policies were formulated at the time that KBOCC was approved to participate in the Title IV program; however, these efforts "were not systematically executed." In addition, KBOCC conceded that no biennial reviews were conducted prior to the Department's site visit. In support of its claims of remedial action, KBOCC submitted several exhibits including the following:

- KBOCC's new Drug and Alcohol Abuse Prevention Program including a new disclosure document, and new distribution policies and procedures;
- Two retroactive biennial review reports (2010-11 and 2011-12);
- A biennial review report covering 2012-13. This report was approved in May 2014; and,
- New biennial review policy.

Final Determination: Finding #3 of the program review report cited KBOCC for multiple violations of the *DFSCA* and the Part 86 Regulations. Specifically, the College failed to develop and implement a compliant DAAPP. In addition, KBOCC failed to produce an annual DAAPP disclosure that summarized the program and as a result, was unable to actively distribute program materials to enrolled students and current employees. Finally, the College failed to conduct a biennial review to assess the effectiveness of its DAAPP and the consistency of its disciplinary processes and as a consequence, was also unable to produce the required report of findings, recommendations, and supporting documentation.

These separate and distinct violations necessarily follow from each other because the biennial review is primarily a study of the effectiveness of the DAAPP. Therefore, an institution cannot conduct a proper biennial review until it has a fully-functional DAAPP in place and program requirements are communicated to all members of the campus community. As a result of these violations, KBOCC was required to enhance its DAAPP, produce and distribute an annual disclosure, and conduct a substantive biennial review as soon as initial program data was available. In its response, the College concurred with the finding, described the remedial actions taken in an attempt to address the violations, and submitted documents in support of its claims.

The Department carefully examined KBOCC's narrative response and supporting documentation. The review team's examination showed that the identified violations were, for the most part, satisfactorily addressed by the College's response and its new DAAPP, new annual disclosure, its biennial review reports, and new internal policies and procedures. Based on the Department's review and KBOCC's admission of noncompliance, the violations identified in the initial finding are sustained. The Department also determined that the College's remedial action plan meets minimum requirements. For these reasons, the Department has accepted the response and considers this finding to be closed for purposes of this program review. Nevertheless, the officials and directors of KBOCC are put on notice that the College must take all other action that may be necessary to address the deficiencies and weaknesses identified by the Department as well as those that were detected during the preparation of the response to the Department's report and as may otherwise be needed to ensure that these violations do not recur.

In this regard, KBOCC officials are reminded that the College must continue to develop its DAAPP and that its next biennial review must be completed on the required schedule and its next report must include specific information about the actual conduct of the review including details about the research methods used during the evaluation. The report also must identify the official(s) who conducted the review and address how the College analyzed whether or not its disciplinary standards and codes of conduct regarding drug use and alcohol abuse were enforced consistently. Care also must be taken to ensure that all findings and recommendations are supported by valid evidentiary data. Finally, the report must indicate that it was approved by the College's President and or its board.

Although this finding is now closed, KBOCC is specifically reminded that the exceptions identified above constitute serious and persistent violations of the *DFSCA* that by their nature cannot be cured. There is no way to truly "correct" violations of this type once they occur. KBOCC asserted that it has taken adequate remedial actions and that by doing so, is now in compliance with the *DFSCA* as required by its Program Participation Agreement. Notwithstanding the remedial efforts taken so far, KBOCC officials must understand that compliance with the *DFSCA* is essential to maintaining a safe and healthy learning environment. Data compiled by the Department shows that the use of illicit drugs and alcohol abuse is highly correlated to increased incidents of violent crime on campus. *DFSCA* violations deprive students and employees of important information regarding the educational, financial, health, and legal consequences of alcohol abuse and illicit drug use and deprive institutions of important information about the effectiveness of any drug and alcohol programs that may have been in place during the review period. For these reasons, KBOCC is advised that its remedial measures cannot and do not diminish the seriousness of these violations nor do they eliminate the possibility that the Department will impose an adverse administrative action and or additional remedial measures as a result.

In light of the serious consequences associated with compliance failures of this type, the Department strongly recommends that KBOCC re-examine its DAAPP policies and procedures on at least an annual basis and revise them as needed to ensure that they continue to reflect current institutional policy and are in full compliance with the *DESEL*. Please be advised that the Department may request information on a periodic basis to test the effectiveness of the College's new policies and procedures.

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Prepared by
U.S. Department of Education
Federal Student Aid
Chicago/Denver - School Participation Division

Program Review Report

May 2, 2014

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A. Institutional Information

Keweenaw Bay Ojibwa Community College
111 Beartown Road
Baraga, MI 49908-000

Type: Public

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Accrediting Agency: North Central Association of Colleges and Schools - CHIE (Higher
Educ)

Current Student Enrollment: 90 (2013)

% of Students Receiving Title IV: 66.67% (2013)

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2012-2013

Pell Grant

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B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Keweenaw Bay Ojibwa Community College (KBOCC) from February 24, 2014 to February 26, 2014. The review was conducted by Gigi Moore and Susan Frost Alvarez.

The focus of the review was to determine KBOCC's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of KBOCC's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and consumer information requirements.

A sample of 15 files was identified for review from the 2012-2013 award year. The student files were selected randomly from the list of students who 1) withdrew or ceased attendance for any reason other than graduation; 2) were selected for verification; and 3) received all non-passing grades ("0" GPA) for any term within the award year being reviewed. Appendix A identifies the students whose files were examined during the program review.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning KBOCC's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve KBOCC of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, several areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by KBOCC to bring operations of the financial aid programs into compliance with the statutes and regulations.